

HUBBARD & BIEDERMAN, L.L.P.

ATTORNEYS AT LAW

A Texas Registered Limited Liability Partnership

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February 25, 2004

Mr. Mark Robare
The Robare Group, Ltd.
20405 State Highway 249
Houston, Texas 77070

**Via Facsimile
(281) 376-4363**

Re: Claims Against Allmerica and Related Parties

Dear Mr. Robare:

We are pleased that you have elected to retain the law firm of Hubbard & Biederman, L.L.P. (The "Law Firm") to represent you in the referenced matter. The purpose of this letter is to confirm the terms of the Law Firm's engagement and your arrangement with the Law Firm relative to the payment of attorneys fees and expenses.

For purposes of this agreement, the term "Allmerica Claim" refers to claims against Allmerica and related parties ("Allmerica") arising from the acts and practices of the Allmerica Parties which resulted in damages to certain advisors.

As of the present time, it is our intention to join our clients in a suit brought as a class action.

A class action is a lawsuit in which one or more persons, known as class representatives, file suit on their own behalves and on behalf of other unnamed persons who are similarly situated. The class representatives and the other persons similarly situated are referred to as the "class". In order to maintain and pursue a suit as a class action, the court must approve the case as a class action by "certifying" the class. If the class is certified, all members of the class are notified of the pendency of the suit and given the opportunity to "opt out" of the class. A party who opts out of the class is not bound by any judgment which is entered in the class action, and is free to pursue a suit on his own behalf. A party who does not opt out of the class is bound by the judgment which is entered in the class action. In most instances, settlements of class actions and attorneys fees and expenses paid to the attorneys for the class must be approved by

EXHIBIT

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the court in the form of a judgment. All class members are bound by the final award of attorneys fees and expense reimbursement approved by the court, so there is no "free ride" for persons who are passive class members, as opposed to class representatives.

If a suit is not brought as a class action, the individual plaintiffs pursue their claims on their own respective behalves and not on behalf of others similarly situated. If a suit is brought as a class action, but the court does not certify the class, the former class representatives become individual plaintiffs, and they can pursue the case on their own respective behalves, without representing others similarly situated. In such events, settlements and attorneys fees and expenses paid to the plaintiffs' attorneys generally need not be approved by the court and are solely a matter of private contract.

Against this background, our agreement is as follows:

1. The Law Firm's Undertaking.

The Law Firm will represent and advise you in all aspects of the Allmerica Suit. The Law Firm's services will include advice and representation in all aspects of the litigation; including class certification proceedings, analysis and research, discovery, motion practice, settlement negotiations and, if necessary, trial.

2. Your Obligations.

You agree to be truthful with the Law Firm, to cooperate with the Law Firm, to keep the Law Firm informed of developments which may come to your attention, to abide by the terms of this agreement and to keep the Law Firm advised of your address, telephone number and whereabouts. You also agree that, if the Allmerica Suit is brought as a class action in which you are a class representative, you are willing to serve as a representative of all persons who are similarly situated with respect to the Allmerica Claims. You also acknowledge that you are willing to undergo deposition(s), discovery, and trial in order to effectively and adequately serve as a class representative. You further acknowledge that the Law Firm has specifically advised you that if the Allmerica Suit is certified as a class action, you will have a fiduciary duty to the class (which essentially means that you cannot further your own interests at the expense of the class). You further agree not to opt out of any class of which you are a member that may be certified in the Allmerica Suit.

3. Multiple Clients.

You understand and acknowledge that the Law Firm may be retained by additional clients in connection with the Allmerica Claims. The Law Firm will make known to you the names of the other clients we represent when that occurs. If a conflict

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arises between you and any other clients that we may represent in connection with the Allmerica matter, we will notify you at once, so that the matter may be addressed promptly.

4. Contingent Fee Arrangement.

We will represent you on a contingent fee arrangement in which our attorneys fees will be based on a percentage of any recovery achieved on your behalf or as established by the court, as set forth more specifically below.

- A. If and as long as the Allmerica Suit is brought and maintained as a class action, the Law Firm shall receive, as attorneys fees, a sum equal to forty percent (40%) of the total Gross Recovery or such other fees attributable to your Allmerica Claims that may be awarded by the Court.
- B. If and as long as the Allmerica Suit is not maintained as a class action (either because it was not brought as a class action, or because a class is not certified), or is brought as a class action and approval by a court is not required before payment of attorneys fees, the Law Firm shall be paid in the following manner:
 - 1. If the Allmerica Parties, or any entity or person on behalf of the Allmerica Parties, agree to pay attorneys' fees directly to the Law Firm in connection with a settlement that contemplates separate payments to the Law Firm and their clients, the Law Firm shall be entitled to receive such amount of attorneys' fees as Allmerica Parties will pay directly to the Law Firm.
 - 2. If the Allmerica Parties, or any entity or person on behalf of the Allmerica Parties, do not agree pay attorneys' fees directly to the Law Firm, the Law Firm shall be entitled to receive, as attorneys fees, the greater of forty percent (40%) of the total Gross Recovery or any amount the Allmerica Parties are ordered to pay to you of for your benefit as attorneys fees.
- C. In the event no recovery is achieved for you or on your behalf, the Law Firm will not be entitled to any attorneys fees.

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5. Reimbursement of Costs.

The Law Firm may incur various costs and expenses or assess in-house charges in performing legal services under this agreement (collectively "Costs"). Costs commonly include filing fees and other court costs, messenger and other delivery fees, postage, parking, photocopying and other reproduction costs, clerical staff overtime, computer legal research, out of town travel expenses, expert witness and consulting fees and other similar items. Telephone charges are based on 1.5% of fees. In-house copying will be charged at \$.20 per page. Outgoing faxes will be charged at \$1.50 per page. Except for these items, all Costs will be charged at their respective actual costs. The Law Firm will be reimbursed for Costs as set forth below. An initial retainer will be required in the amount of \$25,000.00.

You will reimburse the Law Firm for your pro rata share of all Costs. Costs will be billed monthly on an itemized basis, and payment will be due within thirty (30) days of the billing date. **Any failure by you to pay Costs as billed, subject to legitimate inquiries about the propriety of particular items, may result in the Law Firm's withdrawal as your attorneys.** In the event of a recovery, the Law Firm's clients will receive an amount equal to any Costs they have paid from the first dollars of the portion of the Gross Recovery which remains after payment of the attorneys fees, provided there are sufficient funds for such payment. In the event there are not sufficient funds, the clients will be reimbursed for costs on a pro rata basis. In all events the Law Firm will be entitled to cover any unreimbursed Costs from the portion of the Gross Recovery which remains after payment of attorneys fees.

6. Client Questions.

If you ever have any questions about any of the Law Firm's billing for Costs or handling of the case, the Law Firm encourages you to bring them to their attention immediately. The Law Firm will be pleased to respond to these inquiries frankly and promptly in order to insure open lines of communication.

7. Settlement.

If the Allmerica Suit is maintained as a class action, you will not opt out of the class. If the Allmerica Suit is not maintained as a class action, the Law Firm will not agree to a settlement of your claims or take any other significant action in the case without your consent. However, you will give appropriate weight the Law Firm's advice regarding settlement and other decisions which need to be made and will not unreasonably withhold your consent.

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8. Negotiated Arrangement.

The contingent fee arrangement described in Paragraph 4 of this Agreement was not prescribed by law; it was freely negotiated by you and Law Firm.

9. No Promises or Guarantees.

Nothing in this agreement and nothing in our statements to you will be construed as a promise or guarantee regarding the outcome of the Allmerica Claims or the Allmerica Suit. The Law Firm make no such promises or guarantees. The Law Firm's comments about the outcome of this matter are expressions of opinion only. The Law Firm has advised you that regardless of how strong the claims appear, the outcome of a lawsuit is impossible to predict.

10. No Oral Modifications.

This agreement may not be modified by any oral agreement. Any modifications of this agreement must be in writing and signed by both you and the Law Firm.

11. State Bar of Texas Policy.

The State Bar of Texas requires us to provide you with the following information:

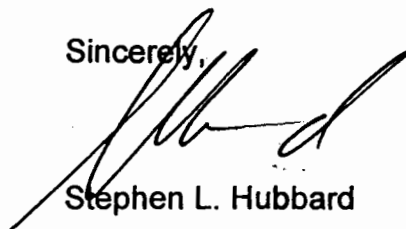
"The State Bar of Texas investigates and prosecutes professional misconduct committed by Texas attorneys. Although not every complaint against or dispute with a lawyer involves professional misconduct, the State Bar's Office of General Counsel will provide you with information about how to file a complaint."

If the above correctly sets forth your understanding of our arrangement, please sign the original of this agreement in the space indicated below and return this agreement to the undersigned.

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We look forward to working with you in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'SLH', is written over the word 'Sincerely,'.

Stephen L. Hubbard

SLH/dao

THE ABOVE TERMS OF ENGAGEMENT
ARE AGREED:

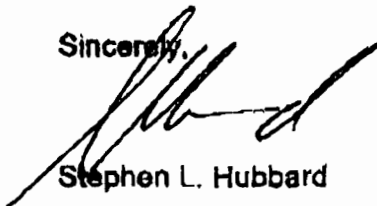
By:

Mark Robare

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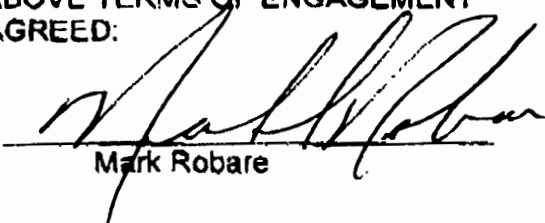


Stephen L. Hubbard

SLH/dao

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By:


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